

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20544

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| In the Matter of                       | ) | CC Docket No. 98-170 |
| Truth-in-billing and Billing Format    | ) |                      |
|  | ) | CG Docket No. 04-208 |
| National Association of State Utility  | ) |                      |
| Consumer Advocates= Petition for       | ) |                      |
| Declaratory Ruling Regarding Truth-    | ) | (FCC 05-055) Title   |
| In-Billing: Further Notice of Proposed | ) |                      |
| Rulemaking.                            | ) |                      |

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COMMENTS OF THE NATIONAL ASSOCIATION OF  
CONSUMER AGENCY ADMINISTRATORS

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The National Association of Consumer Agency Administrators (hereinafter referred to as NACAA) respectfully submits the following comments in response to the Federal Communication Commission's (FCC) Second Report and Order, Declaratory Ruling, and Second Further Notice of Proposed Rulemaking. NACAA represents over 160 consumer agencies at all levels of government in the United States and several other countries. Our member agencies provide direct constituent services, such as advising consumers and businesses about legal rights and responsibilities and enforcing consumer laws and regulations. In accord with its role in representing its member agencies and their role in protecting the interests of consumers and legitimate business interests NACAA submits the following comments to the Federal Communications Commission.

First of all, NACAA is pleased that the Federal Communication Commission is taking the initiative to clarify that its Truth-In-Billing rules apply to all telecommunications carriers, including but not limited to wireless, mobile and cellular telephone service. Clearly, as telecommunications services become more complicated the opportunity to mislead consumers with add on charges and the like increases. In recent years, our member agencies have also seen significant increases in the number of complaints against wireless, mobile and cellular telephone companies.

The most important area NACAA wishes to address in these comments is that we are urging the FCC not to preempt state regulatory and enforcement authority in this important area. The states have a critical consumer protection role to play in protecting consumers and encouraging fair competition. Therefore, we urge the FCC to establish additional or minimum standards to protect consumers rather than to limit or supplant the States' role in their area by placing ceiling or maximum limitations on protections for consumers.

NACAA strongly supports the concept that telecommunications companies should be prohibited from imposing "add on" charges to consumers' bills. The practice of "adding on" charges is an age-old consumer deception. Basically, the seller promotes and advertises one price and then at the end of the transaction adds on many other charges known only to the seller. The bottom line is that this practice is advertising with intent not to sell as advertised. This unfair and deceptive practice makes it virtually impossible for consumers to engage in meaningful price comparisons among competitors and therefore they are placed at a disadvantage in making a long term economic decision.

If the FCC unfortunately decides or elects to allow such "add on" charges, we urge you

to at a minimum, require these "add on" charges be clearly and conspicuously disclosed in a separate section of the consumer=s bill. Additionally, any "add on" fees must be clearly and conspicuously identified as optional fees charged by a company and not grouped with any taxes or fees that are mandated by governmental entities. We request that the FCC also specifically prohibit any terms or phrases from being used to list an "add on" fee which could represent or imply to a consumer that the "add on" fee is regulatory in nature or otherwise required or authorized by a governmental authority, unless the governmental authority actually does require or authorize the fee.

**Dated this June 23, 2005.**

RESPECTFULLY SUBMITTED,



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**Paul J. Schlaver**  
**Vice President of Public Policy, National**  
**Association of Consumer Agency Administrators**